



Doing Business In Finland: A Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Finland

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Market Overview

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- Finland joined the European Union in 1995, and has continued to grow as a market for international business.
- Finland shares a 900-mile long border with Russia, which is the longest contiguous land border in the EU. Finland has a unique position as the center of a rapidly developing marketplace formed by northwestern Russia, Scandinavia and the Baltic States, with about 80 million prospective consumers.
- Finland is the only Nordic country to replace its national currency, the Finnish mark, with the Euro (in 2002). Contrary to popular misconceptions, Finland is not a part of Scandinavia.
- Finland has a largely homogeneous population of 5,214,512 (2004 census estimate). There are approximately 4,200 Americans resident in Finland, and some 50,000 visit the country each year.
- Finland has a highly developed industrial economy and is a global leader in telecom and related high-tech applications. Finland routinely ranks among the top in international surveys of R&D funding, competitiveness, transparency, literacy, and education. Per capita income was USD 25,791 in 2004.
- Two-way trade between the U.S. and Finland was approximately USD 6.2 billion in 2003, chiefly in the electronics, paper, medical equipment and telecommunications industries. For the first three quarters of 2004, U.S. exports to Finland were up 8%, while Finland's exports to the U.S. declined by 17%. Much of this change in 2004 is attributable to the dollar/euro exchange rate.
- The United States is Finland's most important trading partner outside of Europe. With a 4.7 percent share of imports in 2003 valued at around USD1.9 billion, the United States is Finland's fifth largest supplier after Germany, Russia, Sweden and the United Kingdom.
- In 2003 the United States was Finland's third largest customer after Germany and Sweden, with an export share of 8.1 percent, or USD\$4.3 billion. American investment in Finland was USD1.458 million, and Finnish investment in the United States was USD4.268 million.
- Nokia, headquartered in Espoo, has grown to become a multi-national giant in a small country. Its contribution to the Finnish economy is significant.
- As a EU member state bordering Russia, Finland remains vital as a trans-shipment channel to Russian markets, especially the northwestern regions. About 40 percent of the EU's road shipments to Russia are shipped from Finland

or arrive via Finland. Finland's excellent infrastructure and its geographical proximity to Russia and the Baltic countries, especially Estonia, give Finland an advantage as a gateway to these burgeoning markets.

Market Challenges

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- Finland's import climate is open and receptive to U.S. products and investments. There are no significant trade barriers or regulations that U.S. firms need to take into consideration.
- The domestic market is small, but the country can be used as a base for Nordic, Baltic, and/or Western Russian operations.

Market Opportunities

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Excellent opportunities exist in the sectors of franchising, computers, environmental technologies, telecommunications and equipment, computer software, medical equipment, biotechnology, and safety/security. More information about these leading sectors can be found in Chapter 4 of the 2005 Country Commercial Guide, entitled Leading Sectors for U.S. Export and Investment.

Market Entry Strategy

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U.S. exporters seeking general export information and assistance or country-specific commercial information should consult with their nearest Export Assistance Center or the U.S. Department of Commerce's website www.export.gov.

Information about services offered by the U.S. & Foreign Commercial Service in Helsinki can be found at <http://www.buyusa.gov/finland>.

Please also see: Chapter 3: Selling U.S. Product and Services

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/3238.htm>

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Chapter 3: Selling U.S. Products and Services

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Using an Agent or Distributor

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One exclusive agent/distributor is usually appointed to cover the entire country, mainly due to the relatively small size of the Finnish market. Finnish importers often represent many different product lines. In selecting a representative, the exporter should check whether that company handles competing products. Consumer goods and similar merchandise requiring maintenance of stock are often imported through wholesalers or trading houses. Such products may also be sold directly to retail chains, department stores, and other retail outlets.

Contacting local trade associations for a list of importers is a good way of finding a distributor in Finland. Finnish importers attend major trade fairs in Europe and in the United States in order to find new products and ideas, but also to find new representation. The Commercial Section of the American Embassy also assists in finding agents/distributors for U.S. exporters through International Partner Search (IPS), Gold Key Matching Service, and other networking activity.

Establishing an Office

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Please visit www.investinfinland.fi for information on establishing an office in Finland.

Franchising

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The total market for franchising in Finland was estimated at \$6.35 billion in 2004. According to a survey made by the Finnish Franchise Association (FFA), there are 177 franchise chains in Finland of which about one-quarter are foreign owned. Franchising has increased in popularity during the past few years, as investors better understand the business concept; e.g. franchising involves lower risks for companies expanding their operations. For more information on franchising see chapter 4: Leading Sectors for U.S. Export and Investment.

Direct Marketing

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The total amount spent in 2002 (no newer data available) on direct marketing in Finland was 491 million EUR (USD 604 million), up 0,6 % from the previous year. Mail order and direct sales have increasingly boosted their status. Direct marketing campaigns are becoming more diversified and the size of consignments is becoming smaller. Advertising is being more precisely segmented and special media are being used to reach new target groups. The use of electronic messaging for marketing purposes is also growing briskly. The direct marketing channels most commonly used in Finland are:

- Direct mail
- Telemarketing
- Face-to-face selling
- Internet marketing
- Direct-response advertising
- Catalogs

Joint Ventures/Licensing

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Several U.S. companies have established themselves in the Finnish market with subsidiaries or joint ventures, with particular interest in accessing Finnish-Russian joint ventures. A number of Finnish firms are interested in using their long-established contacts in the former Soviet Union and the Baltic countries to market U.S. goods. Due to its physical proximity and Finland's network of railroad and air connections, there are many strong selling features regarding access to Russia. As a full member of the European Union, Finland has its feet firmly planted in the west but possesses unique access to, and expertise about, the Russian market.

Product Licensing agreements are quite common in Finland because of the good quality of Finnish manufacturing, the small size of the market and the relatively high cost of transporting goods to the country. Royalties and licensing fees may be freely transferred out of Finland.

Selling to the Government

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Finnish procurement agencies follow the procurement procedures of the EU and the World Trade Organization (WTO). The EU rules of procurement and the WTO's GPA agreement only apply to procurements above the threshold value. National legislation requires procurement units to submit competitive tenders for procurements that fall below the threshold value. This is done by sending requests for tenders to a number of potential suppliers or by publishing an announcement. For more information on Government tenders, please see <http://ted.publications.eu.int/official/>

Distribution and Sales Channels

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Distribution channels in Finland are similar to those in the United States. Goods may be sold through an agent, distributor, established wholesaler, or selling directly to retail organizations. Most of the larger importers, wholesalers and trading houses are members of the Federation of Finnish Commerce and Trade (www.kaupankl.fi), which is a central organization of 36 trade associations covering the bulk of foreign goods sold to Finnish trade and industry. The members of FFCT are particularly strong in certain specialized sectors, such as electronics, electric components and instruments, pharmaceutical and health care products, technical products and machinery, raw materials and chemicals.

The majority of Finnish commission agents are members of the Finnish Foreign Trade Agents' Federation (www.agenttiliitto.fi), which has 18 divisions for different products. These commission agents are relatively small, private companies, most of them operating in sectors such as textiles, apparel, furnishings and raw materials.

Selling Factors/Techniques

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Selling factors and techniques are very similar in Finland to those in the United States. Terms generally applied to international trade with industrialized countries apply to selling in Finland. When selling to the Finnish market, it is recommended that a local agent/distributor who has a sales network covering the whole of Finland be appointed. Only one local distributor is needed to cover the whole country, since Finland is a small market, but distances are long and therefore a distributor with a countrywide network is most desirable. Consumer goods and similar merchandise requiring maintenance of stock are often imported through wholesalers or trading houses. These products can also be sold directly to retail chains, department stores and other retail outlets. U.S. suppliers should provide the local distributor with English language product literature and export prices. Strong promotion efforts are very important to introduce new products into the Finnish market.

Electronic Commerce

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Online shopping in Finland is increasing rapidly. According to the data collected in January and April 2004, about 70% of 15-74 year-old Finns had used the Internet during

the last three months and about 15% (more than 590,000 persons) had ordered something for personal use via the Internet. The proportion of those who had paid their purchases on-line was 10% of the total target population (about 400,000 persons). Young people were most active - 43% of the on-line shoppers were aged under 30 and 70% were under 40 years. Also, gender differences in on-line shopping have disappeared, with women constituting approximately 50% of all Internet users and of those who had bought commodities via the Internet. For more information on Electronic Commerce in Finland, please see www.e.finland.fi

Trade Promotion and Advertising

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Local fair authorities:

The Finnish Fair Corporation/Helsinki Fair Center - www.finnexpo.fi
Jyvaskyla Fair Ltd. - www.jklfairs.fi
Turku Fair Center Ltd. - www.turunmessukeskus.fi
Lahti Fair Ltd. - www.lahdenmessut.fi
Tampere Trade Fairs Ltd. - www.tampereenmessut.fi

Local newspapers:

Helsingin Sanomat - www.helsinginsanomat.fi
Aamulehti - www.aamulehti.fi
Iltalehti - www.iltalehti.fi
Iltasanomat - www.iltasanomat.fi
Kaleva - www.kaleva.fi
Keskisuomalainen - www.keskisuomalainen.net
Savon Sanomat - www.savonsanomat.fi
Turun Sanomat - www.turunsanomat.fi

Business magazines/journals:

Kauppalehti (Business daily) - www.kauppalehti.fi
Taloussanomat (Business daily) - www.taloussanomat.fi
Talouselama (Business weekly) - www.talentum.com

Radio/TV:

Classic Radio Oy - www.classicfm.fi
Radio City - www.radiocity.fi
Radio Nova - www.radionova.fi
YLE (Finnish Broadcasting Company), Radio and TV Center - www.yle.fi
MTV OY (Commercial TV) - www.mtv3.fi
NELONEN (Channel Four Finland) - www.nelonen.fi
HELSINKI TELEVISIO OY (TV) - www.htv.fi

U.S. Commercial Service Helsinki services: Business Service Providers (BSP),
Featured U.S. Exporters (FUSE) and Single Company Promotion (SCP) -
www.buyusa.gov/finland/en

Pricing

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All goods and services are subject to VAT, which ranges from 8 percent on books, drugs and pharmaceuticals, 17 percent on foodstuffs and feeds, to 22 percent on industrial goods. Excise taxes are levied on fuel, alcohol, beer, tobacco, soft drinks and mineral water.

Finland is an EU (European Union) country. Imports from the other EU countries enter Finland duty-free and without customs formalities. The EU also has free trade agreements with a large number of non-EU countries (e.g. countries that belong to the PAN-European cumulation and EFTA (European Free Trade Association) countries. Imports from these countries, with some exceptions, enter Finland duty-free if the products have been manufactured in one of these countries. However, import duties are levied on imports from countries such as the United States, Australia, Japan and Canada, depending on specific product lines.

Sales Service/Customer Support

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As a rule, one exclusive agent/distributor is appointed to cover the entire country. Finnish importers often represent several different product lines. Importers may serve large customers themselves while dealers work with smaller customers, often located outside the Helsinki metropolitan area. Dealers are often specialized in supplying a specific industry area. Training, usually organized and carried out by dealers, is an important aspect. Service points should cover the whole country rather than just the southern region.

Protecting Your Intellectual Property

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Please see Chapter 6: Investment Climate Statement.

The Finnish legal system protects property rights, including intellectual property, and Finland adheres to numerous international agreements concerning intellectual property. Finland has joined the most important copyright agreements.

Due Diligence

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Dun & Bradstreet Finland Oy and Suomen Asiakastieto Oy offer a variety of business and credit information services. For further information, please contact:

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You can also contact any Dun & Bradstreet office in the U.S.

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or their partner in the U.S.:
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121 Whitney Avenue
New Haven, CT 06510
Tel: (203) 503-6700, Fax: 781-3833
E-mail: sales@veritas-usa.com
www.veritas-usa.com

Local Professional Services

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Please visit U.S. Commercial Service Finland's website - Local Business Service
Providers: <http://www.buyusa.gov/finland/en/bsn.html>

Web Resources

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Invest in Finland Bureau - www.investinfinland.fi

The Supplement to the Official Journal of the European Union -
<http://ted.publications.eu.int/official/>

The Federation of Finnish Commerce and Trade - www.kaupankl.fi

The Finnish Foreign Trade Agents' Federation - www.agenttiliitto.fi

eFinland - www.e.finland.fi

Local fair authorities:

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Jyväskylä Fair Ltd. - www.jklfairs.fi
Turku Fair Center Ltd. - www.turunmessukeskus.fi
Lahti Fair Ltd. - www.lahdenmessut.fi
Tampere Trade Fairs Ltd. - www.tampereenmessut.fi

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Aamulehti - www.aamulehti.fi
Iltalehti - www.iltalehti.fi
Iltasanomat - www.iltasanomat.fi
Kaleva - www.kaleva.fi

Keskisuomalainen - www.keskisuomalainen.net

Savon Sanomat - www.savonsanomat.fi

Turun Sanomat - www.turunsanomat.fi

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Talouseläma (Business weekly) - www.talentum.com

Radio/TV:

Classic Radio Oy - www.classicfm.fi

Radio City - www.radiocity.fi

Radio Nova - www.radionova.fi

YLE (Finnish Broadcasting Company), Radio and TV Center - www.yle.fi

MTV OY (Commercial TV) - www.mtv3.fi

NELONEN (Channel Four Finland) - www.nelonen.fi

HELSINKI TELEVISIO OY (TV) - www.htv.fi

U.S. Commercial Service Helsinki services: Business Service Providers (BSP), Due Diligence, Featured U.S. Exporters (FUSE) and Single Company Promotion (SCP) - www.buyusa.gov/finland/en

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Chapter 4: Leading Sectors for U.S. Export and Investment

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Commercial Sectors

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- [Computers and Peripherals \(CPT\)](#)
- [Environmental Technologies \(ENV\)](#)
- [Telecommunications Services and Equipment \(TEL, TES\)](#)
- [Computer Software \(CSF\)](#)
- [Medical Equipment \(MED\)](#)
- [Biotechnology \(BTC\)](#)
- [Safety and Security \(SEC\)](#)

Franchising (FRA)

Overview

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Data Table – \$Millions	2002	2003	2004 (estimated)
Total Market Size	4610	5300	6350
Total Local Production	3380	3870	4640
Total Exports	0	0	0
Total Imports	1230	1430	1700
Imports from the U.S.	800	861	1020

Average Exchange Rate: \$1=€ 0.815.

Source: The Finnish Franchise Association.

Note: The above statistics are unofficial estimates.

The total market for franchising in Finland was estimated at \$6.35 billion in 2004. According to a survey made by the Finnish Franchise Association, franchising sales increased by about 10 percent in 2003. There are 177 franchising chains operating in Finland, of which 133 are Finnish and 44 are from other countries.

Best Prospects/Services

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Local trade sources predict that the sales volume will increase at an annual rate of 10-15 percent. The increase is explained by expansion of franchising as a business concept - franchising involves lower risks for companies expanding their operations. The highest number of chains is in the retailing and services sector. However, the largest increase in sales volume is predicted for food and beverage franchising, which has expanded rapidly in Finland over the past few years. McDonald's market share is about 30 percent and the domestic franchise chain Hesburger's share has now risen to about 70 percent. Besides the traditional hamburger and pizza chains, there are market opportunities for U.S. fast food restaurants such as salad bars, Tex-Mex food and coffee shops.

Opportunities

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There are about a dozen U.S. franchise chains now operating in Finland: Avis, Budget, Esso Snack & Shop, Glass-Tech, Hertz, Homecare, Novus (car windows), McDonald's, PC-SuperStore, Mail Boxes Etc/IB Your Office, Subway and Pizza Hut. Many typical U.S. franchise operations are still unknown in Finland. According to local sources, franchising chains operating in the service sector now have the strongest growth potential in Finland. These especially include personal welfare and nursing services. In 2003, there were 71 service sector chains in the Finnish market.

The future for franchising in Finland looks promising. It is evident that franchising as a whole will increase during the coming years. This projection is based on statistics as well as recent positive economic developments.

Resources

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The Finnish Franchise Association
<http://www.franchising.fi/sfy/>

Travel and Tourism Services (TRA)

Overview

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Data Table - \$Millions	2002	2003	2004 (estimated)
Total Travel	4060	4114	4103
Domestic travel	4540	4720	4850
Incoming travel	1920	2032	2153
Foreign travel	2400	2638	2900
Travel to the U.S.	135	150	165

Average Exchange Rate: \$1=€ 0.815.

Source: Statistics Finland, Balance of Payments (travel), Preliminary Information.
Domestic travel and 2004 figures are unofficial estimates.

The United States is one of the main long-haul destinations for Finns. In 2003, over 73,000 Finns traveled to the United States. However, the number is expected to increase in the near future, particularly if the dollar remains weak compared to the Euro. Florida, California and New York continue to be the best prospects for the U.S. travel industry. First time travelers, families with children and senior citizens favor Florida, whereas younger people and experienced travelers favor the West Coast.

A growing interest in travel has increased the number of Finns traveling abroad. Finns favor long-haul travel and Mediterranean destinations. The majority of Finns traveling abroad, favor sun and sand followed by city destinations. The most active travelers are from the capital area, in the age group 45-64, well educated and belong to the upper middle class.

Although Finns generally favor sun and sand and city destinations, a growing number of travelers are looking for activity holidays. Local culture, golf, fishing, diving, sailing, skiing and many other activities have become important for Finns when traveling abroad. Therefore, Finns have shown interest in other destinations such as Alaska, Arizona, Hawaii, Nevada, and New Mexico.

Finns made 22,000 business trips to the United States in 2003. This number is also expected to increase in the future. New York, Chicago, Boston, Los Angeles and Atlanta are the most important destinations for Finnish business people.

Finnair, the national air carrier is the only airline based in and operating flights from Finland to the United States. During the high season, Finnair has daily non-stop flight service to New York. During winter 2004-2005, Finnair will also operate direct flights from Helsinki to Miami three times a week. Out of U.S. air carriers, Delta Air Lines has a sales office in Finland, Continental Airlines has a representative, Northwest Airlines is represented by KLM, American Airlines and America West are represented through sales offices in Stockholm, Sweden.

There are no restrictions on the Finnish foreign travel. From October 1, 1991, Finland has been included in the U.S. visa waiver program for visits up to 90 days in length.

Best Products/Services

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Florida, California and New York continue to be the best sales prospects for the U.S. travel industry. Chicago, Boston, Los Angeles, Atlanta and New York are the most popular destinations for Finnish business travelers.

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www.finnexpo.fi (Helsinki Fair Center)
www.smal.fi (Association of Finnish Travel Agents)
www.usembassy.fi/visitusa.html (The Visit USA Committee Finland)
www.mek.fi (The Finnish Tourist Board)
merja.poikolainen@mail.doc.gov (local contact)

Computers and Peripherals (CPT)

Overview

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Data Table – \$Millions	2002	2003	2004 (estimated)
Total Market Size	1665	1820	1995
Total Local Production	420	420	460
Total Exports	350	350	385
Total Imports	1595	1750	1920
Imports from the U.S.	150	150	165

Average Exchange Rate: \$1=€ 0.815

The above statistics are unofficial estimates.

Note: U.S. imports are much higher due to the fact that a lot of U.S. computer hardware is exported from the plants located in the EU countries.

Finland's population of 5.2 million people comprises a highly sophisticated market for computer hardware and software. This is illustrated by the fact that Finland has one of the highest numbers of computers per capita connected to the Internet. Presently, about 70 percent of Finnish homes have computers and about 60 percent of the population has access to the Internet either at home, at work, or through a local institution, such as a library.

The United States is Finland's leading external source of computers and peripherals. There are about 4,200 local computer related companies in Finland. 3,700 companies have less than five employees and the five largest companies cover about 60 percent of the industry sector's sales volume.

After years of negative or negligible growth, consolidation and strong price pressures, the computer market is recovering and experiencing growth again. According to a recent IDC study, Finnish PC-sales in 2003 reached all time record levels, and growth is expected to continue through 2004. The share of the sales of portables has increased, due to a general trend towards "mobility", improved performance, and a price mark-up of just 10% to 15% compared to desktops. Portable growth is expected to continue and SMB, public sector and consumer sales are still playing a crucial role as investments in large companies will not be expected to grow before the end of the year.

Best Products/Services

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Currently the highest demand products include portable computers, digital television sets and receivers, digital cameras, LCD and plasma television sets.

Opportunities

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Please see the Supplement to the European Union Official Journal
<http://ted.publications.eu.int/official/>

Resources

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www.finnexpo.fi (Helsinki Fair Center)

www.mintc.fi (Ministry of Transport and Communications)

www.ficom.fi (Finnish Federation for Communications and Teleinformatics)

tarja.kunnas@mail.doc.gov (local contact)

Environmental Technologies (ENV)

Overview

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Data Table – \$Millions	2002	2003	2004 (estimated)
Total Market Size	1570	1595	1610
Total Local Production	1400	1420	1420
Total Exports	1120	1140	1190
Total Imports	1290	1315	1380
Imports from the U.S.	195	198	205

Average Exchange Rate: \$1=€ 0.815

The statistics are unofficial estimates.

The environmental sector in Finland has evolved into a dynamic area where production of new technologies is gaining international prominence. Finland takes the lead in assisting her neighbors to the east, by using technology transfer and knowledge diffusion to help solve their environmental problems. Both individuals and leaders of industry have become highly conscious of the high standards of environmental protection and preservation. In Finland, the necessity for utilizing the best available technology is included in the Water Act, Air Pollution Control Act, Waste Act and Sea Protection Act.

Finland's membership in the European Union in January 1995, the 1994 Waste Act, amendments in 1997 and especially the Finnish National Waste Plan 2005, were positive indicators that capital investment into solid waste recycling equipment would increase. This in turn will offer foreign companies increased business opportunities in Finland.

Demand for air pollution control equipment is strong in Finland due to increasing environmental concerns among the surrounding countries (i.e. in Russia the Kola Peninsula, St. Petersburg and the Baltics). The pulp and paper industry represents 26 percent of Finland's exports, and is the main end-user of air pollution control equipment. Given the U.S. reputation for providing top quality air pollution control equipment, these products are in strong demand in Finland.

To support Finnish know-how in the field, the government grants subsidies and tax breaks for companies who buy or export Finnish pollution control equipment. The government has also funded technology centers such as TEKES (Technology Development Center) and VTT (Technical Research Center of Finland), which have established environmental departments for R&D of new pollution control technology. As a result, the growth of R&D in relation to GDP has been one of the fastest in the world, and the market faces increased local competition.

Best Products/Services

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The best sales prospects for U.S. companies are within the residential and industrial solid waste-recycling sector. Additionally, best prospects include equipment such as monitoring and measurement instruments for air pollution, sulphur and dioxide and nitrogen oxide emissions removal and protection technology, etc. Yet another strong area for U.S. companies is the emerging Baltic markets and Russia, which are most easily accessed through Finland.

The following products also offer potential for U.S. companies:

- Monitoring, measuring and sampling instruments for detection of air and water pollution.
- Sulphur dioxide emissions are the leading cause of acidification in Finland. There is demand for all types of advanced air cleaning technology that is used in the pulp and paper, chemical and heavy metal industry as well as in municipal energy and power plants. Given the high level of demand, competition within this market is strong. However, the presence of U.S. companies is quite small within this sector, allowing for potential market share to be gained. The key success factor for American companies is the high quality products they produce, which will translate into better sales within the sulphur dioxide emissions removal sector. There may also be opportunities in malodorous gas treatment.
- Nitrogen oxide emissions removal technology: The demand for nitrogen oxide emission removal equipment is growing, which includes catalytic converters and low nitrogen oxide combustion technology for burners and boilers. There is not a large presence of American companies within this sector, which suggests significant opportunities in the long run.
- Dust reduction equipment: Products such as dynamic and electrostatic precipitators; fabric filters; centrifugal fans and blowers are good prospects for U.S. companies.

Opportunities

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Please see the Supplement to the European Union Official Journal
<http://ted.publications.eu.int/official/>

Tekes, the National Technology Agency is the main public financing and expert organization for research and technological development in Finland. Tekes finances industrial R&D projects as well as projects in research institutes. Tekes especially promotes innovative, risk-intensive projects. (www.tekes.fi).

Resources

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<http://www.environment.fi> (Ministry of the Environment, Regional Environment Centers, Finnish Environment Institute)
www.finnexpo.fi (Helsinki Fair Center)
tarja.kunnas@mail.doc.gov (local contact)

Telecommunications Services and Equipment (TEL, TES))

Overview

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Telecommunications Equipment

Data Table – \$Millions	2002	2003	2004 (estimated)
Total Market Size	10465	10980	10990
Total Local Production	18850	18850	18850
Total Exports	9295	8800	8800
Total Imports	910	930	940
Imports from the U.S.	90	93	95

Average Exchange Rate: \$1=€ 0.815

Source: Telecommunications in Finland 2003 (Statistics Finland) and local contacts.

The telecommunications market in Finland is fully liberal - no licenses needed, except for digital television networks and building mobile networks. Finland's Ministry of Transport and Communications is responsible for licensing. The fact that Finland was among the first to open its telecommunications market has resulted in the lowest mobile tariffs in the OECD countries. In mobile phone penetration, Finland is among the world leaders. According to a survey commissioned by Statistics Finland in March 2004, 96% of households had at least one mobile phone. Finland has also the highest number of computers per capita worldwide connected to the Internet and is the world's leading country in electronic banking.

The two major operators in the fixed-line telecommunications market, Elisa Communications Group and TeliaSonera are in the process of acquiring smaller local companies. Most smaller Finnish telephone companies operate under the Finnet group, which is the third largest player in the fixed line market. The major players are facing increasingly strong competition from newer providers of fixed line, mobile and Internet services, the most important of which are Saunalahti, Tele2 and Song Networks.

The development of the market for third generation services has been slower than expected. A fact, which led, in April 2004, the Ministry of Transport and Communications to ease the terms of its UMTS licenses in Finland. Licensees are allowed to jointly construct and use a portion of their networks with each licensee's own network covering a minimum of 35% of the population.

The popularity of broadband connections has increased rapidly. The number of broadband Internet access installations total approximately 750.000 of which nearly 600.000 are for households. The goal of the national broadband strategy is that every Finn will have access to high-speed, easy-to-use and affordable data transfer connections by the end of 2005 and that Finland will become a European leader in availability and use of high-speed telecommunications. By the end of 2005 there would be one million broadband subscriptions in Finland.

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Although highly competitive, the telecommunications sector is also growing fast, with high demand for Internet and mobile services and content expected to continue. With the increasing numbers of broadband Internet connections, e-commerce is expected to benefit.

Due to high technical standards and the liberalized telecommunications market, Finland serves as an excellent test base for new technologies for U.S. IT companies. U.S. IT companies wishing to enter the Baltic markets and Russia (especially St. Petersburg) should view Finland as a natural gateway and Finnish companies as experienced partners in any such effort.

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Please see the Supplement to the European Union Official Journal
<http://ted.publications.eu.int/official/>
www.e-finland.fi (E-business projects)

Resources

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www.finnexpo.fi (Helsinki Fair Center)
www.mintc.fi (Ministry of Transport and Communications)
www.ficom.fi (Finnish Federation for Communications and Teleinformatics)
tarja.kunnas@mail.doc.gov (local contact)

Computer Software (CSF)

Overview

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Data Table – \$Millions	2002	2003	2004 (estimated)
Total Market Size	1045	1010	1065
Total Local Production	835	780	880
Total Exports	490	470	515
Total Imports	700	700	700
Imports from the U.S.	525	525	525

Average Exchange Rate: \$1=€ 0.815

The above statistics are unofficial estimates from local contacts.

The software industry is one of Finland's most prominent industry sectors. The industry - along with software entrepreneurship - has grown rapidly since the early 1990s. Presently, there are more than 3,000 software companies in Finland, the majority of which are start-ups or in early growth stages. Their business ranges from infrastructure software and data security solutions to various Internet and wireless applications, with strong technology forming the basis for innovative products. An increasing number of Finnish software companies seek to expand their operations to global markets and welcome contacts from U.S. companies.

The United States is the number one supplier of standard, non-customized application software. Competition for new-to-market computer software companies is strong and comes from previously established U.S. companies, such as Microsoft, Novell etc.

The Finnish software industry is characterized by the following trends:

- Expanding focus and application areas beyond traditional ICT software market (convergence)
- Fast-growing number of new start-up software companies
- Increasing role of Web-related software
- Fast-growing role of embedded software
- Increase in software exports
- Consolidation of the software industry (mergers, acquisitions)
- Increase of mobile software

More than two out of three Finnish software companies develop and produce traditional ICT software. The international software vendors have, however, rapidly increased their shares in the Finnish market. This trend is expected to continue in the next five years.

In addition, Finnish companies have increased their activities in system and tools software segments. Examples of these kinds of products are Web-related infrastructure software packages and security software. Growth in these sectors is fueled by exports. It is estimated that there are about 1,100 companies providing their own software products in Finland and another 100 with products in development or pilot phase.

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For companies, the security sector is growing and although competitive, the market offers opportunities for high quality products. The Finnish market is small, and large companies are few in number - and they tend to have established software systems. Therefore, the software market opportunities for U.S. companies are mostly within the SME market.

Finland has expertise in developing computer software products and is looking for U.S. partners who can provide funding.

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Please see the Supplement to the European Union Official Journal
<http://ted.publications.eu.int/official/>
www.e-finland.fi (E-business projects)

Due to changes in recent years in Russia and the Baltic countries, Finland also serves as an excellent gateway to these emerging markets

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www.finnexpo.fi (Helsinki Fair Center)
www.mintc.fi (Ministry of Transport and Communications)
www.ficom.fi (Finnish Federation for Communications and Teleinformatics)
tarja.kunnas@mail.doc.gov (local contact)

Medical Equipment (MED)

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Data Table – \$Millions	2002	2003	2004 (estimated)
Total Market Size	562	546	533
Total Local Production	948	990	1020
Total Exports	790	831	855
Total Imports	404	387	368
Imports from the U.S.	109	106	103

Average Exchange Rate: \$1=€ 0.815.

Source: The Association for Finnish Healthcare Industries and Finnish Customs. The year 2004 figures are unofficial estimates.

Due to continuous budget cuts, the operating costs of Finnish hospitals have been reduced and the major hospital procurement is mainly replacing older equipment and buying some new equipment, e.g. for radiology and tele-medicine equipment.

The United States continues to be the most important external supplier of medical equipment in Finland, with an import market share of 27.5 percent, followed by Germany, Sweden, Japan and the United Kingdom. High-quality and technically sophisticated medical equipment have the best market potential in Finland, especially equipment that increases efficiency and reduces occupancy rates in hospitals. Products such as patient monitoring systems, mini invasive surgery (MIS), day surgery equipment, magnetic resonance imaging (MRI) equipment, video endoscopes, digital image processing, and picture archiving have the best sales potential in Finland. Medical trade is duty free within the EU. Import duties are collected from production coming from non-EU countries. The duty fluctuates significantly according to the specific product, ranging from 5-12 percent for medical equipment.

Local production was \$990 million in 2003, consisting mainly of dental equipment, anesthesia monitors, specialized x-ray equipment, and chemical analyzers. Local production and imports do not overlap, as they do not compete with each other. About 80 percent of local production is exported because of the small domestic market size.

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Products such as patient monitoring systems, mini invasive surgery (MIS), day surgery equipment, magnetic resonance imaging (MRI) equipment, video endoscopes, digital image processing, and picture archiving.

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<http://ted.publications.eu.int/official/>

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www.finnexpo.fi (Helsinki Fair Center)
www.sailab.fi (The Association of Laboratory and Health Care Products Suppliers)
www.stm.fi (Ministry of Social Affairs and Health)
merja.poikolainen@mail.doc.gov (local contact)

Biotechnology (BTC)

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The biotechnology industry is a very promising high-technology sector. High-level research and know-how in the life sciences, advanced infrastructure and relatively positive public attitude together provide a solid basis for development of Finland's biotechnology industry. Most of the biotechnology companies are operating in pharmaceutical and diagnostic fields, biomaterials, food and feed, enzymes and agriculture, while others offer services in clinical research, patents and marketing analysis.

Finland's biotechnology industry ranks sixth in Europe. About seven percent of Europe's biotechnology companies are Finnish. There are over 100 biotechnology companies in the country today. Finnish biotechnology companies are mostly connected to universities, biocenters and technology centers. The main areas of strength are pharmaceuticals, diagnostics and enzyme production. The past has seen a dynamic bioscience industry spring up in and around Finland's universities and science parks. As a result of the Government's efforts to boost biotechnology in the 1990s there are now some 180 research groups, 14 biotech graduate schools and several science parks and biocenters dedicated to the sector.

Cooperation in international research and participation in joint research projects has brought Finland into the spotlight. A substantial number of new biotechnology companies are collaborating with large international companies. Many international companies have established a business in Finland – companies such as Schering, Perkin Elmer and Thermo Electron.

Note: No statistics available.

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Partnering, joint ventures and investments.

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www.finnexpo.fi (Helsinki Fair Center)

www.finbio.net (Finnish Bioindustries)

www.biocenter.helsinki.fi/bi (Institute of Biotechnology, Viikki Biocenter, University of Helsinki)

merja.poikolainen@mail.doc.gov (local contact)

Safety and Security (SEC)

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In Finland security is still considered as a very small branch of the service sector industry, and therefore it is very difficult to obtain accurate information and statistics. According to Statistics Finland, who combines guarding, detective and overall security services into one sector, the cluster increased its sales volume by about 10% in 2003. According to local sources, the total market volume of the private security industry in Finland was estimated at \$510 million in 2003. One of the main reasons for the constant increase in the private security demand is the government's cutbacks to local police funding.

There are no trade barriers or market impediments for safety and security equipment. The customs duty on safety and security equipment exported outside of the EU countries varies between 2.7% to 4.9%. Finland's Value Added Tax of 22% is assessed on all imported goods. Products that are imported or exported within the EU must carry the CE marking.

Note: No statistics available.

C. Future Prospects in the Finnish Safety & Security Market

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The security industry market is dominated by a few large companies, which offer tailor-made solutions and services to both corporate and private customers. These firms have been operating in Finland for a long time (for example Falck Security, which has been in Finland since 1922), and have grown into large, market dominating companies by acquiring smaller local firms in the market. Local subsidiaries of large international companies have a strong hold of the market in all the sub-sectors. U.S. companies, and especially U.S. products and security systems enjoy a good reputation in the Finnish security market.

The guard services sector, estimated at \$200 million, is the largest sub-sector. The two market leaders, Securitas Oy and Falck Security Oy, account for about 95% of the total market. The second largest sub-sector is the security and alarm system (including car alarm) installation market.

The largest end-user groups of security and safety equipment and services are the public sector and large private companies, especially in the growing high-tech field, but also hotels and companies handling dangerous and/or valuable goods. Interest in security and alarm systems in private households in Finland has been relatively low, but the volume of that market sub-sector is expected to increase. The demand for domestic protection is changing, along with increasing crime rates and a general sense of insecurity.

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There is a local security industry trade fair for companies and private citizens called FinnSec, which will be held at the Helsinki Fair Center on October 5-7, 2005. FinnSec 05 is the most important safety and security event in the Nordic countries and the best possible forum to present products and services in the field. It attracts large numbers of decision makers responsible for safety and security at companies and other organizations.

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According to local sources, the most promising sub-sectors are advanced guarding services and related technology. Alarm systems, access control systems, and integrated protection systems along with CCTV-equipment are also sectors where growth is expected to increase. In addition to these, the potential in the IT security sector is enormous. All types of data crimes are rapidly becoming more common even in Finland.

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FinnSec 2005 Security and Safety Trade Fair

http://www.finnexpo.fi/exhibition.asp?Id=1292&code_language=en

Agricultural Sectors

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Data Table - \$Millions	2002	2003	2004 (estimated)
#Total Market Size	12,730	12,060	12,500
Total Local Production	13,482	13,806	7,400
*Total Exports	3,662	4,313	4,300
*Total Imports	2,910	2,567	2,600
*Imports from the U.S.	67	79	80
Average exchange rate CY	1.06	0.886	0.815

Source *UN Trade Data, and #Statistics Finland (http://www.stat.fi/index_en.html)

Note: The above statistics are unofficial estimates

Due to the severe Nordic winters and relatively short growing season, Finland relies heavily on imported food and agricultural products. Finland's geographical proximity and long-established connections to the Baltic States and Russia offers an ideal business base in Northern Europe. Increased demand for consumer goods, agribusiness opportunities, food industry investments and tourism in the region has been generated by structural reforms and development of market economies in the Baltic countries and Russia.

Best Products/Services

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Best prospects: wine, beer, healthy snacks, dried fruits and nuts, ethnic foods, organic foods, health and diet foods, convenience foods, frozen juices, TexMex items, sauces/seasonings, rice, seafood, pet food, canned fruits and vegetables, and fresh fruits: apples, pears, grapes, cherries, avocados.

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Finland is a sophisticated market with a high standard of living, a well-educated workforce and growing incomes. The Finnish consumer has a high acceptance of new products and concepts. U.S. products are considered high quality and trendy. There is growing consumer demand for value-added products, convenience foods and functional foods as well as a proliferation of "healthy" and "greener" foods.

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For current data on agricultural trade prospects with Finland, the reader is referred to the following Internet Web site: www.usemb.se/Agriculture. The USDA office in Stockholm, which has regional responsibility for Sweden, Finland, Norway, Latvia and Estonia, maintains this site. Its content includes an analytical overview of agricultural marketing opportunities and reports, marketing activities of possible interest to U.S. firms, an array of exporter/importer services, and links to sites containing a detailed current breakdown of individual country imports/exports of agricultural products subdivided into several product categories (bulk, intermediate, consumer-oriented, forestry and fishery).

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Chapter 5: Trade Regulations and Standards

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- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
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Import Tariffs

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Duties and other import taxes are levied on the customs value of the goods at the point of importation. The customs value is based on the transaction value of the goods imported. In practice, the C.I.F. value is commonly used as the customs value. To assess customs value, the place of importation must be indicated. In the case of sea and air cargo, the place of importation is the unloading location. In surface transportation, it is the Customs Office at the frontier. The customs value is determined according to the GATT Valuation Agreement and the Community Customs Code (Council regulation 2913/92) and the Regulation Laying down Provisions for Implementation of the Customs Code (Commission regulation 2454/93). Depending on the product and excluding foodstuffs, the import tariff ranges from 0-17%.

For further information, please visit www.tulli.fi (Finnish Customs).

Trade Barriers

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Finland's adoption of EU internal market practices in 1995 defines Finland's trade relations both inside the EU and with non-EU countries.

Finland replaced its turnover tax with a value-added tax in June 1994. While the change has had little effect on overall revenues, several areas not previously taxed or taxed at a lower rate, including many corporate and consumer services and construction, are now subject to the new VAT in conformity with EU practices. The government has kept the basic VAT rate at the same level as the old turnover tax, which is 22 percent. Food products are taxed at 17 percent. Sport facilities usage, medicines, books, cinemas, passenger transport services, hotel and other accommodation, entertainment performances, sporting events, zoos, museums, and other such events or institutions

are taxed at 8 percent. Other services, including health care, education, insurance, newspaper & periodical subscriptions and rentals are not subject to VAT. Agricultural and forestry products continue to be subject to different forms of taxation outside the VAT. A uniform tax rate of 28 percent on capital gains took effect in 1996, which includes dividends, rental income, insurance, savings, forestry income, and corporate profits. The tax rate on capital income and corporate income was raised from 28 percent to 29 percent from the beginning of year 2000.

In March 1997 EU commitments required the establishment of a tax border between the autonomously governed, but territorially Finnish, Åland Islands and the rest of Finland. As a result, the trade of goods and services between the rest of Finland and Åland Islands is now treated as if it were trade with a non-EU area. Even though the Åland Islands are part of the EU, just as Finland is, Åland does not belong to the Union's tax area. This exception was drafted in order to protect the important shipping traffic and the tax-free sales when EU countries abandoned duty-free sales. The trade effect of this treatment is minimal since the Åland Islands are part of the EFTA tariff area.

Finland has also introduced EU practices on imports of agricultural products. Some agricultural goods are subject to the standard import-licensing system, EU-wide quotas, import taxes or other provisions. Finland, along with other new members, was permitted to take measures, accepted by the EU, to shelter its agriculture or foodstuff sector during a limited transition period. In a temporary exception to general EU procedure, Finland could impose higher tariffs than the EU level on the following items: footwear, rubber, plastic, metals, raw hides & skins and some electric machinery. The transition period ended in 1998. As of July 1, 1996 higher tariffs on textiles, clothing and headgear were abolished.

In mid-1996 the Finnish government's inter-ministerial licensing authority began, within the EU, selectively to oppose American company applications for commercialization of genetically modified organisms (GMOs) such as insect-resistant corn. Finland's attitude towards biotechnology is markedly more open than in many other EU Member States and Embassy Helsinki has been working actively with Finnish partners to distribute accurate and scientific information on this issue.

For further information on trade barriers, please visit www.ustr.gov (Document library; reports & publications; 2004 USTR reports; 2004 NTE; European Union).

Import Requirements and Documentation

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Certain import/export items need to meet with special requirements and certifications set by the EU or national standards. These are mostly articles that might damage health, welfare or country's economy, or result in the spread of animal and plant diseases.

The following items, among others, are subject to restrictions:

Foodstuffs, fodder and fertilizers, alcoholic beverages and other products containing alcohol, pharmaceuticals, narcotics and dangerous drugs, some chemicals, nuclear and radioactive substances, explosives, blade knives firearms and ammunition, obscene publications, and pressure vessels.

For further information, please visit www.tulli.fi (Finnish Customs).

U.S. Export Controls

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A booklet on Finland's export controls is available from the Ministry for Foreign Affairs, Export Controls Unit (<http://formin.finland.fi/english>) - E-mail: heikki.yrjola@formin.fi

Temporary Entry

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Temporary exemption from duty can be granted, for instance, to the following:

- Goods intended for public displays at exhibitions and fairs
- Commercial samples
- Professional tools and equipment

If the goods are put to unauthorized use or are not exported within the prescribed time they must go through normal customs clearance and become liable for relevant duties and taxes.

In Finland, the ATA-Carnet, the international customs documentation for temporary duty-free admission is issued by the Chamber of Commerce. The ATA-Carnets are frequently used for temporary imports e.g. samples, exhibition materials, and professional equipment (laptop computers, software).

Labeling and Marking Requirements

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Labeling and marking requirements in Finland are based on the Act on Product Safety, which was enacted in accordance with the EU directive on general product safety. The following information should be included in retail packaging, or otherwise marked on the product (a sticker, label, etc.):

- Name of the product (indicating clearly the contents of the package)
- Name of the manufacturer or the name of the company that had the product manufactured
- Amount of contents (weight or volume of the contents to be specified, measures in metric system).

If warranted by safety considerations or economic security of the consumer, the following information should also be included on the retail packaging or otherwise clearly identified on the product: contents of the product, care instructions, operating instructions, and a warning of possible danger related to the use or disposal of the product.

Finland has precise labeling requirements for foodstuff. A retail-size food package must show the name of the manufacturer, packer or importer, commercial name of the product, net metric weight or volume, ingredients in descending order of weight, last recommended date of sale, and storage instructions if perishable or intended for infants. Mandatory information described above must be provided in Finnish and Swedish.

Prohibited and Restricted Imports

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Finnish law prohibits the import of the following products:

- PCB and PCT chemicals used in transformers and condensers causing problem waste products
- CFC chemicals
- Whale meat

Customs Contact Information

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See www.tulli.fi

Standards

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Overview

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Finland uses the metric system. Products for sale in Finland should be adapted to the metric system whenever possible. It is also highly recommended that U.S. products imported into Finland meet international or European standards. Examples of products where conformity to directives is mandatory are electric equipment, machines, toys, pressure vessels, construction products and personal protective equipment. In these cases CE-marking acquired in any EU/EEA country is also valid in Finland. There are several Notified Bodies in Finland participating in the CE-marking procedures.

The central body for standardization in Finland is the Finnish Standards Association - SFS (www.sfs.fi). SFS and its standards writing bodies, SESKO Standardization in Finland (www.sesko.fi) and Finnish Communications Regulatory Authority (www.ficora.fi) are members of the European standards organizations CEN, CENELEC and ETSI.

National SFS Standards are sold in Finland only by SFS. National ISO member bodies abroad handle distribution of SFS standards. SFS and SESKO are the Finnish sources for all international standards and drafts of the International Organization for Standardization (ISO), for European standards and drafts of CEN and for publications of ISO member bodies. SFS also distributes other foreign standards and technical regulations.

Products tested and certified in the U.S. to American standards are likely to have to be retested and re-certified to European Union (EU) requirements as a result of the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

http://europa.eu.int/comm/consumers/cons_safe/prod_safe/index_en.htm

European Union standards created in recent years under the New Approach are harmonized across the 25 EU member states and European Economic Area countries in order to allow for the free flow of goods. A feature of the New Approach is CE marking. While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations and technical standards might also become barriers to trade if U.S. standards are different from those of the European Union.

Standards Organizations

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Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

CENELEC, European Committee for Electrotechnical Standardization
(<http://www.cenelec.org/>)

ETSI, European Telecommunications Standards Institute (www.etsi.org)

CEN, European Committee for Standardization, handling all other standards
(<http://www.cenorm.be/>)

The only organization that develops standards in Finland is the Finnish Standards Association (www.sfs.fi).

Conformity Assessment

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Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages of the production process to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice with regard to conformity assessment, depending on the level of risk involved in

the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. You can find conformity assessment bodies in individual member state country in this list by the European Commission <http://europa.eu.int/comm/enterprise/nando-is/home/index.cfm>. To promote market acceptance of the final product, there are a number of voluntary conformity assessment programs. CEN's certification systems are the Keymark, the CENCER mark, and the European Standard Agreement Group. CENELEC has its own initiative www.cenelec.org/Cenelec/Homepage.htm ETSI does not offer conformity assessment services.

List of Finland's main national testing or conformity assessment bodies:

Low voltage (LVD) - SGS Fimko Oy (www.fimko.fi)

Simple pressure vessels (SPVD) - Inspecta Oy (www.inspecta.fi)

Construction products:

VTT Building and Transport (www.vtt.fi/rte)

SFS-Inspecta Sertifiointi Oy (www.sfs-sertifiointi.fi)

Sahkotarkastus Fimtekno Oy (www.fimtekno.fi)

Contesta Oy (www.contesta.fi)

Oy DNV Certification Ab (www.dnv.fi)

Electromagnetic compatibility (EMC):

Competent Bodies - SGS Fimko Oy (www.fimko.fi), Nemko Oy (www.nemko.fi), TCC Salo (www.finas.fi), NATLABS Oy - Nordic Accredited Testing Laboratories (www.natlabs.fi)

Competent Administrative Authority – Turvatekniikan keskus – Safety Technology Authority (www.tukes.fi)

Personal protective equipment (PPE) – Työterveyslaitos – Finnish Institute of Occupational Health (www.ttl.fi)

Explosives for civil use – Finnish Defense Forces Technical Research Center (PVTT) (www.mil.fi)

Medical devices - VTT Industrial Systems (www.vtt.fi)

Equipment explosive atmospheres (ATEX) - VTT Industrial Systems (www.vtt.fi)

Recreational craft - VTT Industrial Systems (www.vtt.fi)

Lifts:

Sähkötarkastus Fimtekno Oy (www.fimtekno.fi)

Oy Elspecta Ab (www.hissiproffat.fi)

Suomen Hissitarkastus Oy

Pressure equipment (PED):

Inspecta Oy (www.inspecta.fi)

Polartest Oy (www.polartest.fi)

Machinery:

VTT Industrial Systems (www.vtt.fi)

SGS Fimko Oy (www.fimko.fi)

Diagnostic medical devices - VTT Industrial Systems (www.vtt.fi)

Radio Equipment and Telecommunications Terminal Equipment and the Mutual Recognition of their Conformity - Finnish Communications Regulatory Authority Viestintävirasto (www.ficora.fi)

Transportable pressure equipment - Polartest Oy (www.polartest.fi)

Noise emission in the environment by equipment for use outdoors - Maa- ja elintarviketalouden tutkimuskeskus – Agrifood Research Finland (www.mtt.fi)

Product Certification

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Product certification is voluntary.

Accreditation

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Accreditation is handled at member state level. “European Accreditation” (www.european-accreditation.org) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58. Please contact the Finnish Accreditation Service, FINAS (www.mikes.fi) for further information.

Publication of Technical Regulations

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The Official Journal is the official gazette of the European Union. It is published daily and consists of two series covering draft and adopted legislation as well as case law, questions from the European Parliament, studies by committees, and more (<http://europa.eu.int/eur-lex/en/index.html>). It lists the standards reference numbers linked to legislation. (www.newapproach.org/Directives/DirectiveList.asp). National technical regulations are published on the Commission’s website <http://europa.eu.int/comm/enterprise/tris/> to allow other countries/interested parties to comment.

Labeling and Marking

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Besides the CE Mark, which is required across the European Union, the Swan Label is a neutral and reliable Nordic Environmental Label. It directs products, their production and

consumption into a more environmentally friendly direction. The Swan Label indicates that the products burden the environment less than other corresponding products - without compromising performance characteristics.

The purpose of the European Eco-label is to promote the development, manufacture, marketing and use of products that least burden the environment. To consumer, the Eco-Label gives better and more reliable information on the environmental friendliness of the product (<http://europa.eu.int/ecolabel>).

The EU has mandated that certain products be sold in standardized quantities. Council Directive 80/232/EC provides permissible ranges of nominal quantities, container capacities and volumes of a variety of products. http://europa.eu.int/eur-lex/en/consleg/main/1980/en_1980L0232_index.html

Trade Agreements

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Membership in Free Trade Arrangements

Finland joined the EU on January 1, 1995, which means that Finland complies with trade agreements that the EU has made with third countries. Finland is also a member of the European Free Trade Association and the European Economic Area.

Bilateral Investment Agreements

Finland has concluded bilateral investment agreements with the following 45 countries: Albania, Argentina, Belarus, Bosnia-Herzegovina, Bulgaria, Chile, China, the Czech Republic, Egypt, El Salvador, Estonia, Ecuador, Hungary, India, Indonesia, Kazakhstan, Croatia, Kuwait, Latvia, Lithuania, Macedonia, Malaysia, Morocco, Mexico, Oman, Peru, Philippines, Poland, Qatar, Republic of Korea, Republic of Lebanon, Republic of Moldova, Republic of Slovenia, Romania, Russia, Slovakia, South Africa, Sri Lanka, Tanzania, Thailand, Turkey, Ukraine, United Arab Emirates, Uzbekistan, and Vietnam.

In September 1989, Finland and the U.S. signed a convention (TIAS 12101) for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital. The convention entered into force December 30, 1990.

Web Resources

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Finnish Customs, www.tulli.fi

Document library; reports & publications; 2004 USTR reports; 2004 NTE; European Union, www.ustr.gov

The Ministry for Foreign Affairs, Export Controls Unit (<http://formin.finland.fi/english>)

Finnish Standards Association – www.sfs.fi

SESKO Standardization in Finland - www.sesko.fi

Finnish Communications Regulatory Authority - www.ficora.fi

EU's General Product Safety Directive -
http://europa.eu.int/comm/consumers/cons_safe/prod_safe/index_en.htm

CEN – European Committee for Standardization – www.cenorm.be

CENELEC – European Committee for Electrotechnical Standardization -
www.cenelec.org

ETSI - European Telecommunications Standards Institute - www.etsi.org

European Commission, Enterprise Directorate – General -
http://europa.eu.int/comm/enterprise/standards_policy/

EFTA – European Free Trade Association - <http://www.efta.int/>

NORMAPME – European Office of Crafts Trades and Small and Medium-Sized Enterprises for Standardization - www.normapme.com

ANEC - European Association for the Co-ordination of Consumer Representation in Standardization - www.anec.org

EOTA – European Organization for Technical Approvals (for construction products) -
info@eota.be

EOTC – European Organization for Conformity Assessment - www.eotc.be

Conformity assessment bodies - <http://europa.eu.int/comm/enterprise/nando-is/home/index.cfm>.

List of Finland's main national testing or conformity assessment bodies:

Low voltage (LVD) - SGS Fimko Oy - www.fimko.fi

Simple pressure vessels (SPVD) - Inspecta Oy - www.inspecta.fi

Construction products:

VTT Building and Transport - www.vtt.fi/rte

SFS-Inspecta Sertifiointi Oy - www.sfs-sertifiointi.fi

Sahkotarkastus Fimtekno Oy - www.fimtekno.fi

Contesta Oy - www.contesta.fi

Oy DNV Certification Ab - www.dnv.fi

Electromagnetic compatibility (EMC):

Competent Bodies - SGS Fimko Oy - www.fimko.fi, Nemko Oy - www.nemko.fi, TCC Salo - www.finas.fi, NATLABS Oy - Nordic Accredited Testing Laboratories - www.natlabs.fi

Competent Administrative Authority – Turvatekniikan keskus – Safety Technology Authority - www.tukes.fi

Personal protective equipment (PPE) – Työterveyslaitos – Finnish Institute of Occupational Health - www.ttl.fi

Explosives for civil use – Finnish Defense Forces Technical Research Center (PvTT) - www.mil.fi

Medical devices - VTT Industrial Systems - www.vtt.fi

Equipment explosive atmospheres (ATEX) - VTT Industrial Systems - www.vtt.fi

Recreational craft - VTT Industrial Systems - www.vtt.fi

Lifts:

Sahkotarkastus Fimtekno Oy - www.fimtekno.fi

Oy Elspecta Ab - www.hissiproffat.fi

Suomen Hissitarkastus Oy

Pressure equipment (PED):

Inspecta Oy - www.inspecta.fi

Polartest Oy - www.polartest.fi

Machinery:

VTT Industrial Systems - www.vtt.fi

SGS Fimko Oy (www.fimko.fi)

Diagnostic medical devices - VTT Industrial Systems - www.vtt.fi

Radio Equipment and Telecommunications Terminal Equipment and the Mutual Recognition of their Conformity - Finnish Communications Regulatory Authority Viestintävirasto - www.ficora.fi

Transportable pressure equipment - Polartest Oy - www.polartest.fi

Noise emission in the environment by equipment for use outdoors - Maa- ja elintarviketalouden tutkimuskeskus – Agrifood Research Finland - www.mtt.fi

European Accreditation - www.european-accreditation.org

The Finnish Accreditation Service, FINAS - www.mikes.fi

Publication of Technical Regulations - <http://europa.eu.int/eur-lex/en/index.html>,
www.newapproach.org/Directives/DirectiveList.asp,
<http://europa.eu.int/comm/enterprise/tris/>

Labeling and marking - <http://europa.eu.int/ecolabel>,
http://europa.eu.int/eur-lex/en/consleg/main/1980/en_1980L0232_index.html

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Chapter 6: Investment Climate

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Openness to Foreign Investment

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The Finnish Government is open to direct foreign investment. There are no general regulatory limitations relating to acquisitions. Legislative controls of mergers and acquisitions is mainly governed by domestic and EU competition rules. Certain acquisitions of large Finnish companies may require follow-up clearance from the Ministry of Trade and Industry in accordance with the Act on the Control of Foreign Acquisitions of Finnish Companies. The purpose of the clearance is to protect “essential national interests”.

Unlike many other countries, however, Finland does not "positively" discriminate in favor of foreign-owned firms by giving them tax holidays or other subsidies not available to other firms in the economy. Instead, Finland relies on "condition-providing policies" which means pursuing policies that offer all firms in the economy appropriate conditions and sufficient pools of advanced factors of production, including an educated labor force and well-functioning infrastructure.

There are some legal requirements for non-European Economic Area (EEA) residents (persons or companies) to conduct business in Finland. In certain areas involving specific safety or health hazards or financial risks, specific conditions must be met to conduct trade. A non-EEA (person or company) operating in Finland must apply to obtain a license or a notification when starting a business in the "regulated" forms of trade. Licensed trades are governed by acts and decrees. In some cases a license is not required, but the person or company must deliver a written notification to the appropriate

authorities. Licenses are usually granted by the State Provincial Office of the area in which the business is established.

Licensed trades include:

- inspection of motor vehicles
- serving and selling of alcoholic beverages
- licenses for the production and wholesale trade for alcoholic beverages
- licenses to serve and to sell alcoholic beverages with an alcoholic content of over 4.7%
- licenses to serve alcoholic beverages containing a maximum of 4.7 percentage by volume ethyl alcohol which are prepared through fermentation
- retail trade licenses for selling alcoholic beverages containing a maximum of 4.7 percentage by volume ethyl alcohol which are prepared through fermentation to food shops
- pharmacies, pharmaceutical companies, pharmaceutical wholesalers; selling of pharmaceutical and veterinary products and drugs
- security trading and option institution activities
- securities exchange operations
- production and import of precious metal products
- mines, exploitation of and claims to deposits
- production of synthetic fertilizers and manufactured feeds and trade in seeds
- licenses for regular airline services and charter traffic; pawn broking activities
- collection of debts on behalf of others
- postal services
- investment fund activities
- design, construction, manufacture, repairing, servicing and using of electrical appliances
- production and transport of electricity for other than personal use; telecommunications activities
- handling and storage of chemicals hazardous to health and the environment
- large-scale & small-scale handling insurance brokering
- insurance agencies
- package tour agencies
- security companies

Supply of mandatory labor pension insurance and workers' compensation is possible only through a Finnish company.

The Aland Islands are an exception to common Finnish practice. Based on international agreements dating from 1921, property ownership and the right to conduct business are limited to only those individuals with right of domicile in the Aland Islands.

Since the beginning of the 1990s, the Finnish state has renewed its ownership policies and started to privatize fully state-owned companies. Prior to this development, the Finnish state had a role as a financier in business. At present, on the global and competitive markets, the state has partly switched its role to a risk investor in new, promising and innovative high-technology companies. In most privatization cases the Finnish state has remained a substantial minority shareholder, such as in HEX-listed companies Outokumpu Oyj and Rautaruukki Oyj. The state has sold its shares to domestic, as well as to foreign investors.

Taxes

Tax rates on new and used cars, vans and motorcycles were cut by 15-20 percent in May 2003. Taxes on alcoholic beverages were cut by an average of 33 percent in March 2004.

As of 2005, the corporate tax rate has been lowered from 29 to 26 percent, and the tax rate on capital gains from 29 percent to 28 percent. The rate of tax withheld at source from interest and the rate of tax at source for dividends received by persons with limited tax liability has been reduced to 28 percent. Corporations' capital gains from distribution of shares is exempt from tax. The reform results in partial taxation of dividends, but in normal situations taxation of small and medium sized companies has not become more severe than before due to changes of the tax rate and due to partial tax exemptions for dividends. The transfer of enterprises to descendants is taxed less. The net wealth tax will be abolished from the beginning of 2006.

Conversion and Transfer Policies

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Finland does not have any exchange controls. There are no restrictions on transferring investment capital or profits abroad in freely convertible currencies at a legal market rate. There is no limit on dividend distributions, as long as they correspond to a company's official earnings records. Payments to or from Finland must, however, be made through authorized banks in Finland.

Finland adopted the single currency (the Euro) on 1st January, 1999. The Euro replaced the Finnish Markka (FIM) at the end of a three-year transition period on 1st January 2002. One Euro equals FIM 5.94573.

Expropriation and Compensation

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Private property rights are well protected in Finland. There have been no cases of expropriation or nationalization since the Second World War.

Dispute Settlement

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There is no record of any significant investment dispute in the last four decades. Finland has a civil law system. Swedish law and Nordic tradition have influenced statutory law and jurisprudence. EC law is directly applicable in Finland and takes precedence over national legislation

In 1969, Finland became a member of the International Center for the Settlement of Investment Disputes (ICSID). Finland signed the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards in December 1958. The convention entered into force in Finland in April 1962.

The Arbitration Institute of the Central Chamber of Commerce of Finland promotes as an impartial body the settlement of business disputes by arbitration. The Arbitration Institute was established in 1911. Since 1919 it has been operating in connection with the Central Chamber of Commerce of Finland. The Institute appoints arbitrators both to domestic and international arbitration proceedings. Until the year 1992, arbitral awards were deposited with the District Court. At present, arbitral awards in redemption cases under the Companies Act have to be registered with the National Board of Patents and Registration.

The Market Court was established in 2002 as a special court for rulings in market law, competition and public procurement cases.

Major revisions to the Finnish competition legislation took effect in May 2004. The Act on Competition Restrictions was harmonized with the EU competition rules.

Performance Requirements and Incentives

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There are no performance requirements or commitments imposed on foreign investment in Finland. However, to conduct business in Finland, some residency requirements must be met the intent being to ensure that persons liable for the company's acts can be brought to court if necessary.

The Finnish Parliament has adopted legislation which relaxed the domicile requirements in Finnish company law. The amendments entered into force on January 2003. The previous legislation required that the managing director, if any, and at least 50 percent of the board of directors of a Finnish limited liability company be domiciled within the European Economic Area (EEA). According to the amendment, the managing director and at least one member of the board of directors (and the supervisory board, if any) of a Finnish limited liability company must be domiciled within the EEA. The nationality of the founder is thus irrelevant.

Also under the previous legislation, the holders of procuration rights and persons entitled to sign on behalf of a Finnish limited liability company were subject to the same domicile requirements as the managing director - that is, they must be domiciled within the EEA. According to the amendments, these individuals are no longer subject to any domicile requirements. A person not domiciled within the EEA could not, under the previous legislation, act as a partner in a Finnish general or limited partnership.

However, as of January 1 2003 a limited liability partner in a limited partnership is no longer subject to domicile requirements. At least one of the unlimited partners in a general or a limited partnership must still be domiciled within the EEA.

The extensively revised Companies Act came into force in September 1997. In line with common Western European practices, the law divides limited liability companies into public (Oyj) and private limited (Oy) companies.

All companies registered in Finland have access to government assistance under special development programs. Foreign-owned companies are eligible for government incentives on an equal footing with Finnish-owned companies. Assistance and subsidies

are granted by the Ministry of Trade and Industry (MTI) or other ministries depending on the field of business activity, the Technology Development Center (TEKES), the government owned Finnish Industry Investment, and the Finnish National Fund for Research and Development (SITRA). Companies operating in Finland have access to EU structural funds through national programs. EU funding may cover half the total costs of a program provided that the other half comes from national private and/or public sources.

Finnish policy on business aid has sought to reduce sectoral aid and channel aid into intangible investments and development of the operating environment. The business support system has been simplified and supervision intensified. MTI provides subsidies for investments in the form of regional investment aid, aid for small businesses or development aid for small and medium size enterprises (SMEs) and aid for improvement of the operational environment of the undertaking. SITRA's corporate funding operations comprise venture capital, which is divided between seed funding and growth funding, fund investment and the commercialization of trading technology. TEKES is the main financing organization for applied and industrial R&D in Finland. Its funds are awarded from the state budget. The Foundation for Finnish Innovations provides risk financing for developing the innovations of private investors and small entrepreneurs.

Firms established in development regions may receive subsidies for the transportation costs of products. MTI provides grants to promote internationalization. Aid for export promotion projects to be undertaken in EU/EEA territory is available only to SMEs as defined by EU/EEA state aid regulations. MTI grants energy subsidies to companies and organizations for investments promoting energy conservation and the use of domestic energy sources. To promote venture capital investments in Finnish SMEs, Finnvera grants venture capital guarantees.

Right to Private Ownership and Establishment

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Private ownership and entrepreneurship is normal in Finland. In most fields of business activity, participation by foreign companies or individuals is unrestricted. As the government pursues privatization of state-owned companies, both private and foreign participation is welcome except in some enterprises operating in sectors related to national security.

Competitive equality is the official standard applied to private enterprises in competition with public enterprises. Private companies do not face discrimination. With the end of the Restriction Act in January 1993, Finland removed most restrictions on foreign ownership of property in Finland. Restrictions, such as requirements to obtain permission of the local government in order to purchase a vacation home in Finland were abolished January 1, 2000, bringing Finland fully in line with EU norms.

Protection of Property Rights

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Secured interest in property, both movable and real, are recognized and enforced. The Finnish legal system protects property rights, including intellectual property, and Finland adheres to numerous international agreements concerning intellectual property. Finland has joined the most important copyright agreements. Patent rights are consistent with international standards. In Finland a granted patent applies for 20 years. In 1996, Finland joined the European Patent Convention (EPC) and the European Patent Organization (EPO). Finland is a member of WIPO, and participates primarily through its membership in the EU. The idea of protection of intellectual property is well developed.

The Finnish government is currently attempting to redress a situation under which pharmaceutical patents have received inadequate protection in Finland. The applicable authorities have indicated that this situation will be remedied by mid 2005.

Information on copying and copyright infringement is provided by several copyright holder interest organizations such as the Copyright Information and Anti-Piracy Center (CIAPC). The Business Software Alliance (BSA), a worldwide software anti-piracy organization, began operations in Finland in January 1994. Finland has been a member of the Paris Convention for the Protection of Industrial Property since 1921, the Berne Convention for the Protection of Literary and Artistic works since 1928 and the Rome International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations since 1983.

The Finnish Copyright Act, which also grants protection to authors, performing artists, record producers, broadcasting organizations and catalog producers, has been adjusted to comply with EU directives. As part of this harmonization, the period of copyright protection was extended from 50 years to 70 years. Protection for database producers (currently a part of catalog producer rights) has been defined consistent with EU practice. National transition period procedures are defined in Parliament. The Finnish Copyright Act provides for sanctions ranging from fines to imprisonment for up to two years. Search and seizure are authorized in the case of criminal piracy, as is the forfeiture of financial gains. The Copyright Act has covered computer software since 1991.

Recent amendments to the Finnish Penal Code have enhanced the position of employers in regard to the protection of their business secrets, with employees now required to keep a former employer's business secrets confidential for two years after termination of employment. However, due to a conflict between the Employment Contracts Act and the Penal Code, it remains advisable to include a separate confidentiality clause in an employment contract for the post-employment period. According to Chapter 30(5) of the Penal Code, breach of a business secret is committed when a person, for the benefit of himself or a third party, or to cause damage, uses or discloses another person's business secret without justification, having gained knowledge of the secret through employment. From April 1 2003 the provision was extended to cover the actions of former employees for a two-year period after termination of employment. Before this date, the employee's confidentiality obligation was, in a penal sense, limited to the period of service.

The deposit banks have traditionally handled housing loans in Finland, so the significance of mortgage banks has remained minor. A mortgage bank may obtain funds by issuing bonds in which housing units or real property are collateral or which are

underwritten by or claims from a general government. Mortgage banks obtain their funds in the market and lend these funds to others, primarily as loans with housing as collateral. The Mortgage Society of Finland is operating in accordance with designated special legislation.

Transparency of Regulatory System

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The legal and enforcement framework for competition conforms to European Community praxis. Finland brought its law into full conformity with the prohibition-based system of EC competition law in May 2004.

The Securities Market Act contains regulations on corporate disclosure procedures and requirements, responsibility for flagging share ownership, insider regulations and offenses, the issuing and marketing of securities, and trading. The law defines and takes into account new instruments, which have become common in financial markets, such as securities lending and repurchase agreements. Finnish legislation recognizes the same internationally common financial market contractual arrangements as legislation elsewhere in EU. Regulations concerning clearing of securities trades have been incorporated in the law since 1998. Clearing has become subject to licensing, and is supervised by the Financial Supervision Authority, which oversees the financial markets.

Finnish tax, labor, health and safety, and related laws and policies are largely neutral towards the efficient mobilization and allocation of investment. Finnish legislation does not normally influence regional distribution of investment except when specifically designed to do so, such as through regional incentive programs.

Efficient Capital Markets and Portfolio Investment

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Credit is allocated on market terms and is made available to foreign investors in a non-discriminatory manner. The private sector has access to a variety of credit instruments. Legal, regulatory, and accounting systems are transparent and consistent with international norms.

The Helsinki Stock Exchange is part of the OMX Exchanges division within OMX, together with the stock exchange in Stockholm and the stock exchanges and central securities depositories in Tallinn, Riga and Vilnius. The exchange is regulated by the Finnish Ministry of Finance and supervised by the Finnish Financial Supervision Authority.

The earnings of finance and banking groups based in Finland remained at the previous year's level in 2003. The credit portfolio grew by 12 percent and was 92 billion euro at the end of 2003. A national breakdown of the performance of multinational banking groups is not feasible, therefore the financial results of banking groups covers all group activities: the balance sheet of the biggest banks in Finland (Nordea, OKO, Sampo, Savings bank, Aktia, Local co-operative banks, Bank of Aland, Gyllenberg, EVLI, eQ,

Tapiola, AsuntoHypobank – excluding branches of foreign banks Handelsbanken , SEB and Danske Bank, Citibank, Credit Agricole Indosuez, Carnegie AB, Norddeutsche Landesbank) amounted to USD 400 billion in 2003 .

At the end of 2002, Parliament approved changes to the banking legislation aimed to improve the availability of banking services. The Act, which entered into force in early 2003, facilitated the use of agents to offer banking services, put banks under the obligation to offer a number of basic services and enabled companies other than credit institutions to accept a maximum of EUR 3,000 from customers and deposit them in so-called customer accounts.

Political Violence

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There have been no instances of political violence since the struggle for independence in 1918.

Corruption

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Corruption in Finland is covered by the Criminal Code and provides for sanctions ranging from fines to imprisonment for up to four years, depending on the seriousness of the crime. Both giving and accepting a bribe is considered a criminal act under the Criminal Code. Finnish authorities declare that the non-deductibility of bribes is self-evident, and that the issue has never been raised in Finland.

In June, 2002 the Finnish Parliament passed a government bill implementing the European Council's Criminal Law Convention on Corruption which, when in force, would make it possible to prosecute also Members of Parliament (MPs), as well as MP candidates, and Members of the European Parliament for unlawful conduct in office, including corruption. In October 2002, Parliament gave the final formal approval to the new legislation. Previously, corruption of MPs had not been a criminal offense in Finland, and Finland had been one of the few European countries where MP's still had immunity. The convention entered into force in February 2003.

Only a few persons are convicted of bribery each year in Finland. The relatively high moral standard of Finnish civil servants, the independence in the exercise of their duties, the monitoring systems built into public administration and the transparency of Finnish society and institutions promotes a low corruption environment.

Finland ratified the 1959 European Convention on Mutual Legal Assistance in Criminal Matters and its 1978 Additional Protocol. Finland is a party to the 1996 Convention on Extradition between EU member States as well the 1995 Convention on Simplified Extradition Procedure between EU. The U.S and Finland have an extradition treaty, signed in June 1976; it entered into force in May 1980. The U.S. and Finland signed a bilateral extradition and mutual legal assistance treaty (MLAT) in December 2004. The agreement gives police and prosecutors on both side of the Atlantic new tools for fighting

terrorism, organized crime and other serious forms of criminality. Finland is a party to the 1957 European Convention on Extradition.

Finland is a signatory to the OECD Convention of Anti-Bribery. The instruments of ratification of the convention were deposited in December 1998. The amended Penal Code entered into force on 1 January 1999. The convention entered into force on 15 February 1999.

Finland ratified the Council of Europe Civil Law Convention on Corruption in October 2001, it entered into force in November 2003, and signed the UN Convention against Corruption in December 2003. The Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime entered into force in Finland in July 1994. The UN Convention against Transnational Organized Crime was ratified in February 2003.

In June 2003, Finnish parliament adopted an amendment to the Coercive Measures Act (HE 52/2002) in order to allow for the use of telecommunications monitoring in the investigation of aggravated corruption offences. The amendment entered into force January 1, 2004. Before the amendment came into force, technical surveillance, i.e. interception or technical observation, could be used in Finland in the investigation of aggravated corruption offences. Telecommunications monitoring, however, was not permitted in such investigations.

Bilateral Investment Agreements

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Finland has concluded bilateral investment agreements with the following 49 countries: Albania, Argentina, Belarus, Bosnia-Herzegovina, Bulgaria, Chile, China, the Czech Republic, Egypt, El Salvador, Estonia, Ecuador, Hungary, India, Indonesia, Iran, Kazakhstan, Kirghizia, Croatia, Kuwait, Latvia, Lithuania, Macedonia, Malaysia, Morocco, Mexico, Oman, Oriental Republic of Uruguay, Peru, Philippines, Poland, Qatar, Republic of Korea, Republic of Lebanon, Republic of Moldova, Republic of Slovenia, Romania, Russia, Slovakia, South Africa, Sri Lanka, Tanzania, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, Uzbekistan, and Vietnam.

In September 1989, Finland and the U.S. signed a convention (TIAS 12101) for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital. The convention entered into force December 30, 1990.

OPIC and Other Investment Insurance Programs

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In January 1996, OPIC and Finnvera (former Finnish Guarantee Board FGB) signed an agreement to encourage joint U.S. - Finnish private investments in Russia and the Baltic States. The 1996 agreement was preceded, in 1992, by a Principles of Cooperation Agreement between OPIC and the Finnish Fund for Industrial Cooperation (Finnfund).

Finland has been a member of the Multilateral Investment Guarantee Agency (MIGA) since 1988.

The Finnish labor force is highly skilled and well educated. Of total employment of 2.352 million persons in 2004, 5 percent were employed in the primary sector, 26 percent in industry and construction and 69 percent in services. About 72 percent of the work force is organized.

The Act on Employment Contracts is the main regulating act applied to employment relationships. It includes the minimum conditions regarding working hours, annual leave, safety conditions etc. In addition, in most industrial sectors the employer and employee organization have concluded collective agreements on payment and working conditions.

Finland has suffered from high unemployment throughout the 1990s; unemployment during the recession peaked in early 1994 at 20 percent. The unemployed are granted compensation which, if linked to earnings, as has been the case for about 60 percent of the unemployed, guarantees moderate income for a period up to 500 working days. Despite high unemployment levels, there is a shortage of skilled labor in some specialty sectors. The unemployment rate in 2003 was 9 percent, and fell to 8.8 percent in 2004. A major aim by the government is for employment to increase by 100 000 by the end of the current electoral period in 2007, implying an increase in the employment rate to about 70 percent.

Labor force utilization in Finland is still relatively low, although above the EU15 average, and the price level is high. In 2004, however, labor productivity per person employed is at about the EU average. The number of hours per person employed is relatively high in Finland by EU standards and productivity per hour worked is still lagging slightly behind the EU15. However, a trend growth of labor productivity per hour worked has also been faster in Finland than in most of the other EU countries, in particular since the mid 1990s. In the years 2002 and 2003, however, a remarkable increase in labor slowed down productivity growth, but that cycle has been reversed in 2004.

High costs have led much of Finnish industry to use laborsaving high technology whenever possible. High unemployment has made trade unions somewhat more open to discuss increased labor flexibility. Finland adheres to most ILO conventions; enforcement of worker rights is effective.

Finland has 4 free zones and 7 Free Warehouse areas. Finland's biggest fenced and guarded free zone is located in Hanko, at the southernmost tip of the country. Hanko is also the leading car terminal in Finland, where 90 percent of the imports of registered car importers are customs cleared.

In Finland, the duty-free free zone and warehouse licenses have in most cases been granted to municipalities or cities, but one or several commercial operators, approved by

the customs districts, are usually in charge of warehousing operations within the area. The duty-free storage areas are available to both domestic and foreign-owned companies. The free zone area regulations have been harmonized in the EU by the Community Customs Code. For more information See Finnish Board of Customs.

Foreign Direct Investment Statistics

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In 2003, there was a net inflow of direct investment to Finland, in the amount of EUR 5.2 billion: EUR 2.3 billion worth of direct investment capital was repatriated, and there was also inward direct investment amounting to EUR 2.9 billion. At the end of 2003, the book value of the stock of outward direct investment was EUR 60.3 billion and the book value of the stock of inward direct investment was EUR 36.6 billion. Finnish companies' income on foreign direct investment totaled EUR 4.5 billion and foreign investors' income on direct investment in Finland totaled EUR 4.2 billion.

No policies exist that govern the export of capital and outward direct investment. Holders of capital, Finnish and foreign, can move funds at will.

For more statistical info see Bank of Finland's "2003 Direct investment in Finland's balance of payments 11/9/2004 " – report).

Web Resources

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Ministry of Trade and Industry www.ktm.fi

Enterprise Finland www.enterprisefinland.fi

Invest in Finland Bureau www.investinfinland.fi

The Arbitration Institute of the Central Chamber of Commerce
www.arbitration.fi/en/indexen.html

The Central Chamber of Commerce of Finland www.keskuskauppakamari.fi

The National Board of Patents and Registration www.prh.fi

The Market Court www.oikeus.fi/markkinaoikeus

Parliament of Finland www.eduskunta.fi

Technology Development Center (TEKES) www.tekes.fi

Finnish Industry Investment Ltd www.teollisuussijoitus.fi

Finnish National Fund for Research and Development (SITRA) www.sitra.fi

The Foundation for Finnish Inventions www.innofin.com

The Copyright Information and Anti-Piracy Centre in Finland, CIAPC www.antipiracy.fi

Business Software Alliance Finland www.bsa.org/finland (in Finnish)

The Mortgage Society of Finland www.hypo.fi

Financial Supervision Authority www.rahoitustarkastus.fi

Helsinki Stock Exchange www.hex.com

Ministry of Finance www.vm.fi

The Finnish Bankers' Association www.pankkiyhdistys.fi

Bank of Finland www.bof.fi

Finnvera www.finnvera.fi

Finnish Fund for Industrial Cooperation (Finnfund) www.finnfund.fi

Ministry of Labor www.mol.fi

Finnish Board of Customs www.tulli.fi

Statistics Finland www.tilastokeskus.fi

The Association of Foreign Trade www.finpro.fi

Tax Authority www.vero.fi

Finnish legislation www.finlex.fi

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Chapter 7: Trade and Project Financing

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How Do I Get Paid (Methods of Payment)

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All payment traffic in Finland is based the giro system and bankcards. Cash is still used for minor purchases. Traditional methods of payment based on personal service and manual handling, bound by time and place, have taken second place, as the conduct of personal business has shifted from teller services to self-service either at home or at work. This development is reflected in the strong growth in the number of telebanking agreements between banks and their customers. In 2003 there were 2.9 million web bank agreements and over 200,000 corporate electronic transaction agreements.

In 2003, already 94 per cent of all the payment transactions received by banks were made electronically. Payment transmission between businesses is almost entirely automatic. The electronic account statement service has made obsolete paper vouchers and a large part of paper account statements. Nordea has an electronic banking service offering the widest range of financial services in the world and is also one of world's biggest Internet banks. The Finnish OKO bank group was the first in the world to offer banking transaction services on the Internet in 1996.

Most Finnish banks offer banking services through WAP (wireless application protocol). Customers are able to handle bank transfers, pay bills, ask for accounting info, send/receive customer mail, shop and even buy shares on the Finnish stock market using a WAP phone. The first bank in the world to offer WAP banking services was Merita Nordbanken (now Nordea). The service has been available since October 1999.

How Does the Banking System Operate

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In the last few years, the Finnish banking system has undergone rapid change. The initial momentum for this process was the step-by-step deregulation of financial markets and capital movements in the 1980s as part of the overall financial integration in Europe. Then the recession in the early 1990s and a severe banking and financial sector crisis, aggravated by bad lending practices in the late 1980s, touched off a consolidation of excess banking capacity. Tighter competition ensued from Finland's EU entry,

accelerating cost cutting in the sector. Reducing personnel, closing branch offices and introducing modern banking technology, have accomplished financial consolidation.

The Finnish banking system is dominated by three major groups of deposit banks: Nordea as well as OKO Bank (the Cooperative Bank Group) and the Sampo Group. At the end of 2003, a total of 343 banks were operating in Finland, eleven of these being commercial banks, 242 co-operative banks as part of the OKO bank group, 42 local cooperative banks and 40 savings banks. In addition to domestic banks, ten foreign credit institution branch offices are entitled to accept deposits, and eight foreign banks have representative offices in Finland. Banks employed a total of 25,927 people at the end of 2003.

Foreign-Exchange Controls

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All Finnish foreign exchange controls have been abolished.

U.S. Banks and Local Correspondent Banks

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All principal Finnish banks have extensive correspondent relationships with U.S. banks, maintaining relationships with banks in every state as well as with all of the larger financial center banks. Further information on correspondent relationships can be obtained from the Finnish Bankers' Association, P.O. Box 1009, FIN-00101 Helsinki; Tel: 358-9-4056 120, fax: 358-9-40561-291(web site: www.pankkiyhdistys.fi).

Project Financing

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The Finnish financial market is typical of European countries where banks and financing institutions have the dominant role, although insurance institutions play a major role in credit supply. Insurance companies, through their management of compulsory insurance schemes of the public social security system, lend a substantial part of the money back to the companies that pay the compulsory premiums. Financing is also available through the stock exchange and the government's financing systems.

Finland's venture capital/GDP ratio is well below the level of the leading industrial economies. In 2003, venture capital investors made 435 investments worth a total of EUR 328 million, down 16 percent from the previous year.

Financing and guarantees for exports are provided for by the Sampo Group and Finnvera. Major Finnish government and other programs are detailed below.

Sampo - is Finland's first full service financial group, providing financial, investment and insurance services to its customers. The insurance company Sampo and the banking group Leonia merged at the beginning of 2001 to Sampo-Leonia and in April 2001 the name was shortened to Sampo. Sampo provides medium- and long-term financing for

the export of capital goods and services from Finland to markets throughout the world. Credit structures applied by Sampo bank in export and project finance transactions are divided into buyer-credit, credit line and project finance. Credits extended by Sampo can be divided to three major groups according to the level of official support; market-term credits, OECD term-export credits and concessional credits. Sampo has in-depth expertise in structuring, arranging and financing international projects, especially in the following defined industry sectors; pulp and paper, energy and infrastructure, and telecommunications.

Finnfund - The Finnish Fund for Industrial Cooperation: Similar to the U.S. government-sponsored OPIC, Finnfund promotes investments in developing countries. Finnfund acts as an agent in Finland for EU programs for the financing of investment in emerging continents. Finnfund provides equity capital as well as long-term investment loans and also participates in guarantee arrangements. In addition to financing, the corporation offers a broad range of fund-management and advisory services. Finnfund is owned by the State of Finland, Finnvera, the Confederation of Finnish Industry and Employers, and the state-owned company Solidium.

NIB - Nordic Investment Bank: NIB is a multilateral financial institution owned by the five Nordic countries. Its head office is located in Helsinki. NIB extends loans and provides guarantees on normal banking terms for export and investment projects in line with Nordic interests. Loans and guarantees are given to investments that assure energy supply, improve infrastructure or support research and development. The core of NIB's international lending consists of project investment loans, which are granted to projects with Nordic participation, usually with a government guarantee. Outside the Nordic area, NIB finances a variety of international projects, both in emerging market and the OECD countries. The bank extends credits for projects supporting economic development in the Nordic countries' neighboring areas and for investments in parts of the world which are of mutual interest to the recipient country and the Nordic countries.

Finnvera - Finnvera is a specialized finance company promoting Finnish exports by offering export-credit guarantees and supporting domestic operations of small and medium-sized companies by offering risk financing and guarantees. Owned entirely by the Finnish State, Finnvera was formed by merging the activities of Kera Corporation and the Finnish Guarantee Board (FGB) on January 1, 1999. Finnvera's domestic development and financing solutions are particularly geared towards small and medium-sized companies, and thus Finnvera also helps to promote the government's regional policy objectives. Finnvera is the official Finnish export-credit agency (ECA), in addition to FIDE, providing export guarantees and insurance. Finnvera also acts as an Intermediary for financing by the EU Joint European Venture Initiative (JEV) and by the European Investment Fund. It is involved in cooperation in the OECD, EU and Berne Union. It represents Finland at meetings of the Paris Club and works in cooperation with the European Mutual Guarantee Association (EMGA). Finnvera's export credit guarantee and insurance commitments are fully guaranteed by the state of Finland.

FIDE Ltd: FIDE Ltd is a state-owned limited liability company that began operations on January 1, 1997. The Company was set up by virtue of the Act on an Interest Equalization Company for Officially Supported Export Credits and its activities are governed by the Act on the Interest Equalization of Officially Supported Export Credits. The Company has been accorded the Export Credit Agency (ECA) status based on international agreements. From January 1, 1999 FIDE is a subsidiary of Finnvera. FIDE

Ltd offers companies and financial institutions an internationally competitive possibility to utilize OECD-term export credits by administrating the interest equalization system and by developing the Finnish export finance system. FIDE provides companies and financial institutions with interest equalization offers and concludes interest equalization agreements with Finnish and foreign financial institutions. FIDE advises companies on the financing of exports and participates in the international co-operation of export financing, particularly in the OECD and the EU. FIDE is an internationally notified official Export Credit Agency (ECA).

SITRA and TEKES: SITRA (the Finnish National Fund for Research and Development) and TEKES (the Technology Development Center) are public financing institutions with the purpose of strengthening the role of research in economic life and promoting new products with the aim of introducing internationally competitive high-technology products and production methods. SITRA makes equity-related investments in high-tech companies during their start up and growth stages and finances management buy-outs and spin-offs from large and medium-sized companies (corporate venturing) and the incorporation of these new businesses. It is a shareholder in about 100 different technology enterprises. TEKES stimulates and coordinates research and development projects between Finnish companies, universities and research institutes and their foreign counterparts. Activities should diversify production structures, increase production and exports, and create a foundation for employment and well-being.

Ministry of Trade and Industry: The ministry and its regional Employment and Economic Development centers offer subsidies for investment in the form of regional investment aid, aid for small businesses or development aid for small and medium-size enterprises (SMEs). Special investment and start-up aid is available for small companies in the whole country, especially in rural areas and structural adjustment areas. This subsidy can be up to 45 percent of the investment in development areas and up to 15 percent elsewhere in the country. SMEs can obtain special development aid for improving their competitiveness in the long run or operations increasing internationalization. The ceiling of aid for product development projects is 35 percent which can however be exceeded by 5 percentage points inside the development area.

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/c/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

Ministry of Trade and Industry: <http://www.ktm.fi>

Finnish National Fund for Research and Development: <http://www.sitra.fi>

Technology Development Center: <http://www.tekes.fi>

FIDE Ltd: <http://www.fide.fi>

Finnvera: <http://www.finnvera.fi>

Nordic Investment Bank: <http://www.nib.fi>

Finnfund: <http://www.finnfund.fi>

Sampo Group: <http://www.sampo.fi>

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Chapter 8: Business Travel

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Business Customs

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Finland is a modern, commercially mature country that enjoys close relations with its Nordic neighbors. Social and business protocol is similar to that in the United States and requires no special mentions of taboos. It is worth noting that relationships are important within the social and business world, as Finns prefer to deal with people they know and trust.

Travel Advisory

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U.S. Department of State Consular Information Sheet – Finland:
http://travel.state.gov/travel/cis_pa_tw/cis/cis_1115.html

Visa Requirements

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With the exception of Nordic (Sweden, Norway, Denmark, Iceland) citizens, citizens of EU countries (except Greece), and citizens of Switzerland, San Marino and Liechtenstein, foreigners entering Finland must have a valid passport. A tourist or business visa is not required for stays of up to three months. For non-EU citizens a visa is needed for stays exceeding 90 days. Visa applications should be submitted to a Finnish diplomatic mission before entry into Finland.

A foreigner needs a residence permit in order to stay in Finland for a longer period of time. However, residence permits are also needed for short stays of less than three months if the purpose of the stay is to work in Finland. Residence permits require either a valid passport or a travel document. Foreigners must have work permits if they intend to work in Finland. Exceptions are citizens of the Nordic countries or citizens of EU/EEA

countries. EU-citizens outside the Nordic countries need to apply for an EEA-card from the local police for stays exceeding 90 days. An EEA-card is a combined work and residence permit.

U.S. Companies that require travel of foreign businesspersons to the United States should allow sufficient time for visa issuance if required. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

U.S. Embassy Helsinki, Finland, Consular Services
<http://www.usembassy.fi/servlet/PageServer?Frameset=consular.html>

Telecommunications

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Finland's telecommunications environment is one of the most advanced in Europe. Mobile phone penetration is very high in Finland: some 94% of all Finns could be reached via mobile phone in 2003. The number of mobile telephones exceeded the number of fixed line connections already in 1998 in Finland. Some 40% of households have abandoned fixed lines and rely on mobiles. There were 2.5 million fixed line connections in 2003, a decrease of 6,5% from 2002.

According to the Ministry of Transport and Communications, there were about 1.3 million (increase of 8%) Internet connections in Finland at the end of 2003. 50% of households had access to Internet in 2003 (Estimated 55% in 2005, 65% in 2006). Almost every Finn has access to broadband networks. Fiber optic cables cover 95 percent of Finnish municipalities and 99 percent of the population live in these municipalities. Finland aims at having broadband connections available for all citizens by end of 2005 (every fourth household in 2003), 45% of households in 2005, and 50% in 2006.

In 1999, the Ministry of Transport and Communications granted licenses for three special digital channels and a television channel that broadcasts regional programs. Digital transmissions began on August 27, 2001. The start was sluggish, but at present 72 percent of Finns have access to digital television broadcasting. In 2004 15% of households or over 360,000 Finnish households had a digital receiver (the number increased by 100,000 in three months).

A fourth digital television network will be reserved for mobile services. These could include new types of news services, information society services, video clips and television programs. Finland is one of the first countries to explore the use of digital television networks as a distribution channel for services received via mobile stations. The services of the fourth digital television network would be based on technology that combines digital mobile networks, television networks, the Internet and reception via mobile stations. Under an existing plan, Finland plans to make a complete switch to digital television broadcasting and phase out analog television by the end of 2006.

Transportation

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Finland has a well-developed infrastructure. Finland's transportation system is based on an efficient rail and road network, supported by a wide network of freight forwarders and trucking companies. Finland's domestic distribution system for goods and services is efficient. The well-functioning transportation system and the fact that Finland's rail gauge is the same as Russia's make the country a good transshipment point for Russian trade. Among other projects, Finland is developing the "gateway" concept further by maintaining and extending a highway in southern Finland that would reach the Russian border at the southern Vaalimaa border crossing point. The E18 road, from Kristiansand, Norway, through Sweden and Finland, to St. Petersburg, Russia, is part of the European Union Trans European Road Network system, connecting EU-member Nordic capitals with efficient roads.

Finland has over 50 merchant shipping ports, of which more than 10 are located on inland waterways connected to the Baltic Sea by the Saimaa Canal. Twenty-three seaports are open year round. Finnish ports, 15 of which deal with transit traffic through Finland, can handle a wide range of cargo. The 10 biggest ports handle more than 75 percent of all sea-borne cargo traffic. The ports near the Russian border (Hamina, Kotka and Mustola) concentrate on forestry goods, bulk cargo and free zone activities. Ports are secure and automated; loading and unloading operations are consistently quick and trouble-free.

Language

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The two official languages in Finland are Finnish and Swedish. About 92 percent of the population speaks Finnish and 5.5 percent speak Swedish. Both languages are compulsory at school. English is widely spoken in Finland, especially among younger people and in major cities.

Health

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Medical facilities are widely available. The public hospital system will not honor foreign credit cards and/or U.S. insurance coverage. However, private hospitals and clinics that accept major credit cards are widely available. Travelers have found that, in some cases, a letter from their carrier describing supplemental medical insurance with specific overseas coverage has proved useful.

A foreigner is usually covered by the Finnish social security after moving to Finland, with health care as one of the benefits. Services are provided within each municipality. The quality of public health care is equivalent to care given by private doctors. In addition, the employers subsidize occupational health care.

Local Time, Business Hours, and Holidays

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The standard time zone in Finland is EET (Eastern European Time), which is UTC (Coordinated Universal Time) + 2 hours.

Business hours in Finland are generally 08.00 AM to 04.00 PM. The average Finnish workweek is 40 hours per week, with annual leave of 25 days, 12.5 free days, and 9 paid holidays. Part-time employment averages to 17.8 hours per week.

The national holidays in 2005 are:

New Year's Day (January 1)

Epiphany (January 6)

Good Friday (March 25)

Easter (March 27-28)

May Day (May 1)

Ascension Day (May 5)

Mid-Summer (June 25)

All Saints' Day (November 5)

Independence Day (December 6)

Christmas (December 25-26)

Temporary Entry of Materials and Personal Belongings

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Please see Chapter 5: Trade Regulations and Standards – Temporary entry

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U.S. Department of State Consular Information Sheet – Finland:

http://travel.state.gov/travel/cis_pa_tw/cis/cis_1115.html

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

U.S. Embassy Helsinki, Finland, Consular Services

<http://www.usembassy.fi/servlet/PageServer?Frameset=consular.html>

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Chapter 9: Contacts, Market Research, and Trade Events

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Contacts

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U.S. Embassy Trade Personnel

Commercial Service of the United States

Itainen Puistotie 14 B

FIN-00140 Helsinki, Finland

or

PSC 78, Box H

APO AE 09723

Tel: (358-9) 616 250

Fax: (358-9) 6162 5130

E-mail: Helsinki.Office.Box@mail.doc.gov

Mr. Robert Peaslee, Regional Senior Commercial Officer (Finland, Norway, and Estonia)

Ms. Tarja Kunnas, Senior Commercial Specialist

Ms. Mia Maki, Commercial Specialist (on maternity leave)

Ms. Merja Poikolainen, Commercial Assistant

Mr. Krister Ehrstedt, Commercial Assistant

Economic Section

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Mr. Mikael Cleverley, Economic Officer

Ms. Riikka Aho, Economic Assistant

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Colonel Robert F. Byrd, Defense & Air Attaché/Chief, Security Assistance Office

Lieutenant Colonel Lawrence J. Kinde, Army Attaché/SAO Officer

Commander Jeffrey J. Jones, Naval Attaché/SAO Officer

Foreign Agricultural Service

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E-mail: agstockholm@fas.usda.gov

Ms. Margaret (Peg) E. Thursland, Agricultural Counselor (for Sweden, Finland, Norway, Estonia and Latvia)

Ms. Asa Lexmon, Agricultural Specialist

Ms. Bettina Dahlbacka, Marketing Specialist

Mr. Bjorn Engstrom, Marketing Assistant

Ms. Julia Suneson, Administrative Assistant

Chambers of Commerce

Central Chamber of Commerce

www.keskuskauppakamari.fi

International Chamber of Commerce (ICC)

www.iccfin.fi

Helsinki Chamber of Commerce

www.helsinki.chamber.fi

Finnish-American Chamber of Commerce*

www.finlandtrade.com

*Not affiliated with the American Chamber of Commerce

World Trade Center Helsinki

www.wtc.fi

Country Trade Associations

Federation of Finnish Commerce and Trade

www.kaupankl.fi

Finnish Foreign Trade Agents' Federation

www.agenttiliitto.fi

Finnish Direct Marketing Association

www.ssml-fdma.fi

Confederation of Finnish Industry and Employers

www.tt.fi

Technology Industries of Finland

<http://www.teknologiateollisuus.fi/>

Finnish Forest Industries' Federation

www.forestindustries.fi

Finpro

www.finpro.fi

Invest in Finland Bureau

www.investinfinland.fi

Country Government Offices

Ministry of Agriculture and Forestry

www.mmm.fi

Employment and Economic Development Center

www.te-keskus.fi

National Food Agency

www.elintarvikevirasto.fi/english/

The National Board of Customs

www.tulli.fi

Statistics Finland

www.stat.fi

Office of Data Protection Ombudsman

Ministry of Justice

www.tietosuoja.fi

Finnish Standardization Association (SFS)

www.sfs.fi

Finnish Electrotechnical Standard Association (SESKO)

www.sesko.fi

National Board of Patents and Registration of Finland

www.prh.fi/engl.html

National Consumer Administration

www.kuluttajavirasto.fi

Country Market Research Firms

Research International Finland Oy

www.research-int.fi

A.C. Nielsen Finland Oy

www.acnielsen.fi

MTT Economic Research

www.mtt.fi/mttl/

Marketing Radar LTD

www.radar.fi

Country Commercial Banks

Nordea Bank Finland

www.nordea.com or www.nordea.fi

Osuuspankkien Keskuspankki Oyj (OKO Bank)

www.okobank.com

Sampo Pankki Oyj. (Sampo Bank Plc.)

www.sampo.com

Citibank International Plc. - Finland Branch

www.citibank.com

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Trade Events

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents.html>

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Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below.

U.S. Commercial Service Finland – Products and Services
http://www.buyusa.gov/finland/en/american_companies.html

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U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website:
<http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.